



**Livestock and Seed Program  
Audit, Review, and Compliance Branch  
Quality System Audit Report**

**AUDIT INFORMATION**

<b>Applicant Name:</b>	Montana Department of Agriculture (MDA)
<b>Est. Number:</b>	N/A
<b>Physical Address:</b>	303 North Roberts Street, Helena, MT 59620
<b>Mailing Address:</b>	PO Box 200201, 303 North Roberts Street, Helena, MT 59620
<b>Contact &amp; Title:</b>	Doug Crabtree, Organic Certification Program Manager
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<b>Phone Number:</b>	406.444.9421
<b>Auditor(s):</b>	Alan Kohles
<b>Program:</b>	USDA National Organic Program (NOP)
<b>Audit Date(s):</b>	June 19, July 5, & 7, 2006
<b>Audit Identifier:</b>	NP6170LLA
<b>Action Required:</b>	Yes
<b>Audit Type:</b>	Annual Update
<b>Audit Objective:</b>	To determine the compliance of the company's information to the requirements of the audit criteria.
<b>Audit Criteria:</b>	<ul style="list-style-type: none"><li>• 7 CFR Part 205.510, National Organic Program, Final Rule, dated December 21, 2000; Amended November 3, 2003</li></ul>
<b>Audit Scope:</b>	MDA 2005 NOP Annual Report
<b>Location(s) Audited:</b>	Desk

Information submitted by MDA included:

- Organizational Charts of the MDA Organic Certification Program – Attachment 1
- List of Organic Inspectors – Attachment 2
- Declaration of Conflict of Interest and Confidentiality Agreements – Attachment 3
- Organic Contract Inspectors Resumes – Attachment 4
- Organic Certification Reviewer Resumes – Attachment 5
- Organic Certification Program Staff Resumes and Performance Appraisals – Attachment 6
- Training Records for all staff: (Attached CD)
- Current list of policies, procedures, and forms: (Attached CD)
- Current Fee Schedule for producers and handlers: (Attached CD)
- List of all certified clients located in Montana, Wyoming, Idaho, California, Oregon; Crops = 85, Livestock = 17, Wild Crops = 1 Handlers = 29; NOP Certification Report (Attached CD)



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- Four Certification files from each area of operation. One (1) crop operations file – Jerry Habets, one (1) Livestock file – Mark Reichelt, one (1) Wild Crop – Terry Fox and one (1) Handling file - Montana Flour and Grain that included inspection reports and certification decision Attachments 7-10
- MDA 2005 Annual Program review dated March 20, 2006 and Internal Audit: (Attached CD)

### **FINDINGS**

Procedures and records reviewed verified that Montana Department of Agriculture is currently operating in compliance to the requirements of the audit criteria except as noted below. One major non-compliance was identified during the audit.

**NP6170LLA. NC1 – Major** – NOP §205.510(a) (1) requires “An accredited certifying agent must submit annually to the Administrator the following reports and fees. A complete and accurate update of information submitted pursuant to §205.503 and §205.504.”

- a) NOP §205.510 (a)(4) requires submission of the results of the most recent performance evaluations and annual program review and a description of adjustments to the certifying agent's operation and procedures implemented or to be implemented in response to the performance evaluations and program review. *MDA stated in Attachment 6 that all staff members involved with the MDAOC have received annual performance appraisals and that all staff members were found to be performing (at least) satisfactorily or have received additional training. A list was submitted that included five administrative personnel, but it did not include the six approved inspectors.*